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December 19, 1949

MEMORANDUM

To: OIR - Mr. Evans

Subject: Staff Study: National Intelligence

This is an excellent, excellent brief. Its presentation is logical and forthright and it is almost completely free of carping criticism.

I have a number of suggestions on it which I hope are constructive. I hope we can keep the pressure up on this project to completion, which I think should be fairly soon. The suggestions that I make are, I think, not so radical that work could not be completed on them by Thursday night.

My comments are divided into three headings:

I. The procedures in terms of the recommendation and where the paper will go, which may influence some of the substance.

II. The form of the paper.

III. A few items of substance which I feel need further going into.

I. With Respect to Procedure:

We will have to talk out at some length with Park as to what is the best way of handling this staff study when it is completed. In preliminary discussion with Bill Trueheart I am inclined to a procedure which can be expressed in terms of the recommendation, as follows:

Recommendation to Mr. Webb (presumably in a covering memo):

That the attached paper be approved as the Department position and submitted to the NSC.

Recommendation to the NSC (to be included therefore in the staff study itself:

That the NSC refer this staff study to the DCI, who, with the advice of the IAC, will submit it.

Shall

(a)

with 60 days

and be included in the report on
relation to NSC order

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- (a) Comments and recommendations;
- (b) Plans for the implementation in terms of organization and staff of both
 - i. This staff study
 - ii. Any revision suggested.

In our discussion on this procedural recommendation, I think we have to hold in mind that the NSC cannot be expected to take action without reference to the DCI and the IAC. On the other hand, submission directly to the DCI and IAC would get into the morass of that mechanism. Thus, by submission to the NSC first, we should be able to force full and rapid consideration in the IAC mechanism, and have the resolution of the problem at the NSC level.

In this connection, we are going to have to hold in mind the fact that we have recently submitted comments to the NSC on the DCI's report to the NSC on the implementation of NSC 50 with respect to national intelligence. We may therefore have to tie the two in in some phraseology, or even to await the DCI's further reference before piling in with this demand. I would urge you to start drafting of an appropriate covering memo to Mr. Webb, which will present some difficulty. Without repeating the substance of the staff study, we will have to summarize the issue in the shortest possible statement and we will also have to justify to him the procedure we recommend. You should hold in mind that it is quite likely that informal discussions will take place with Magruder, Halaby, possibly Souers and others outside the Department before the Department approves the paper for NSC.

II. With Respect to Form.

I have made out and attach herewith an outline of the form which I think it should take. You will note that this does not change the excellent development of logic in the paper, nor does it in fact take the paragraphs out of their present numbering. Instead, it attempts to divide up in chapters, as it were, the complexity of the brief as it stands. My notations on the outline are simply to identify the paragraphs.

One point may not be entirely clear. I think that the discussion starts with your paragraph 3 under "Facts," and I think you can tie that in with the outline attached.

One minor matter of form: I suggest that you indent and single-space the sizable quotations from the Dulles Report and NSC 50.

III. With

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III. With respect to Substance

1. I think that under "Facts" we have to include one other paragraph to record the DCI report of progress on NSC 50 with respect to national intelligence (mentioned above) and also our comments thereon. As you know, that has only very recently taken place and we have the documentation.

2. Also under "Facts" would you give consideration to lifting your paragraph 2(a) up to the lead position, in order that at least some definition can start the paper off.

3. The word "producing" has got to be discussed in terms of different interpretations at an early stage. You do throughout the paper point up the difference of view on what "producing" means, but I think it has got to be identified quite directly and early in the paper, as being one of the fundamental points of divergence. Thus, CIA interprets producing as doing the entire job of research and drafting from beginning to end, and we, on the other hand, think of producing in terms of "composing" the contributions, written or oral, from the several agencies.

4. There is one matter which I think has got to be addressed more fully, and it ties in with your discussion under 3, "Problems in Execution," and might well be a fourth question under that heading. It is the question of total size of staffs and allocation of staffs amongst the agencies. This is complex and admittedly you have referred to it in the discussion of execution; however, I think it has got to be handled along the lines of the draft memorandum on the subject, which I also attach, in which is addressed the habit of CIA to get up an entirely worthwhile project, but one so vast that we cannot do it and therefore they must. In this same connection I think some reference should be made to another responsibility of CIA which we have always thought they did not carry out, but which ties in to "Miscellaneous Research and Reporting," namely, the responsibility for being a "clearing house" of projects and the responsibility for passing on the projects which can be more successfully carried out by other agencies. This, in turn, leads to some discussion of the responsibility that CIA claims for itself of almost exclusively producing the intelligence papers for the NSC staff.

5. I find no mention of NIS in the paper and although I recognize that this is somewhat different in that it is not connected with "national estimates," it nevertheless should be a useful analogy of CIA performance in accordance with our views. In this connection, too, would you look again at my memorandum to PA of December 1, copy of which I sent you, in which the views of General Magruder were outlined. Some of these might be woven into our concept. Also, because we can anticipate these

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views being aired in any discussion of our paper, we might appropriately set up a straw man to be knocked down in the paper.

I have gone to some length in these comments because I think the paper as you and Sidney drafted it entirely merits the effort. I repeat, however, that I do not think my comments call for radical revision of your draft and I hope therefore that you can re-work those suggestions which you feel are useful without too much difficulty.

Fisher Howe
Deputy

Attachments - 2

R:PH:wm
12-17-49

cc: Mr. Armstrong
Mr. Killea
Mr. Trusheart

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PROBLEM

FACTS

DISCUSSION

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I. FOCUS OF THE PROBLEM

- A. Differing interpretations
- B. CIA View
- C. State View
- D. Conflicts in Definition and Execution - concept.

II. CONCEPT OF NATIONAL INTELLIGENCE

III. DEFINITIONS

IV. EXECUTION

- A. Collective preparation?
- B. Can DCI?
- C. Ceilings?
- D. Size of Staffs and Clearing House

CONCLUSION

RECOMMENDATION

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DRAFT: R:PH:ava 12-14-49

MEMORANDUM

SUBJECT: The National Intelligence Paper

It will be important in considering the staff paper on coordinating national intelligence to bear in mind the related problem, the total load of research in political and economic subjects placed on the Government, and in terms of the budget realities to think out where these should be allocated. It is not sufficient simply to say that CIA should cease and desist in political and economic reports which are not by any stretch of the imagination national intelligence. Instead, attention should be given to the relative possibilities of placing the full load on OIR and of some division of the effort.

In this same connection, some analysis must be made of the total call made upon research, the legitimacy of that call, and the present and proposed facilities for fulfilling the calls. Surely experience has shown that CIA is able to receive or dream up extremely useful intelligence projects which OIR is incapable of carrying out and which therefore CIA carries out "on a basis of default." If CIA is stopped from producing this defaulted work, some positive steps have got to be taken to see that the gap is partially or completely filled elsewhere.

Thus the paper should definitely contemplate the difficulties, if any, of research on these subjects (except national intelligence) placed on OIR by WKASS. At the same time, the proposition must be anticipated that it will be easiest simply to transfer OIR and functions to ORK. Alternatively, solution may come in a transfer of funds from CIA to OIR on an NIS basis.

Furthermore, the various possibilities for dividing the workload on a systematic basis should be explored. Is it true that there are only two alternatives: complete centralization of facility in one or the other agency, on the one hand, and on the other, ever increasing duplication? Is there any other dividing line that can be found?

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